

Message Text

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TO SECSTATE WASHDC IMMEDIATE 7690
INFO AMEMBASSY BOGOTA
AMEMBASSY CAIRO
AMEMBASSY ISLAMABAD
AMEMBASSY NEW DELHI
USMISSION GENEVA
USMISSION USUN NY IMMEDIATE
USMISSION USEC BRUSSELS

C O N F I D E N T I A L SECTION 1 OF 2 MEXICO 12508

E.O. 11652: GDS

TAGS: EGEN PFOR G-77, MX

SUBJ: WRAP-UP ON G-77 CONFERENCE, MEXICO CITY SEPT 9-21 - PART I

REF: (A) STATE 219540, (B) MEXICO 12104, (C) MEXICO 12182,
(D) MEXICO 12326, (E) NEW DELHI 14309

1. SUMMARY: ALTHOUGH THE G-77 CONFERENCE ON COOPERATION
AMONG DEVELOPING NATIONS CONCLUDED A WEEK AGO, THE FINAL
DOCUMENTATION HAS NOT BEEN RELEASED YET. POLITICAL DIVISIONS
AMONG THE G-77 DOMINATED THE CONFERENCE AND WEAKENED THE
FINAL ECONOMIC RECOMMENDATIONS. THE BHUTTO PROPOSAL AND
THE MEXICAN ATTEMPT TO CREATE A G-77 INSTITUTION SPLIT THE
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CONFERENCE INTO NON-ALIGNED AND OTHER G-77. LATIN AMERICAN

INCREASING UNHAPPINESS WITH THE G-77 WAS ALSO APPARENT. AS THE LDC'S FOUGHT AMONGST THEMSELVES, ANTI-WEST RHETORIC BECAME MUTED. DESPITE THE POLITICAL PROBLEMS, "COLLECTIVE SELF-RELIANCE" AMONG LDC'S IS CLEARLY AN EMERGING ECONOMIC FOCUS. END SUMMARY.

2. AFTER THE MARATHON DRIVE TO FINISH THE G-77 CONFERENCE ON COOPERATION AMONG DEVELOPING NATIONS IN THE EARLY MORNING HOURS OF SEPTEMBER 23, THE FONSEC HAS RUN OUT OF STEAM - THE PROMISED "DECLARATION OF MEXICO CITY" HAS STILL NOT EMERGED. THE FINAL DOCUMENT IS EXPECTED TO CONSIST BASICALLY OF THE INTRODUCTION (MEXICO 12182), THE TWO COMMITTEE REPORTS (MEXICO 12104) AND TREATMENT OF THE MEXICAN AND PAK PROPOSALS. EMBASSY WILL WITHHOLD COMMENT ON MAJOR SUBSTANTIVE DECISIONS UNTIL THE FINAL DOCUMENT IS RELEASED SINCE LAST MINUTE CHANGES IN PHRASING AFFECTED SOME PROPOSALS IN AN AS-YET-UNIDENTIFIED WAY. EMBASSY ALSO HAS INDICATIONS THAT THERE WERE RESERVATIONS ON THE FINAL DOCUMENT BUT AGAIN CONCRETE INFO IS STILL LACKING. THEREFORE, THIS CABLE WILL CONCENTRATE ON THE POLITICS AND ATMOSPHERICS OF THE MEXICO CITY CONFERENCE.

3. THE ANALYSIS OF THE DYNAMICS OF THE G-77 INTERRELATIONSHIPS (PARA D, STATE 219540) AS SURFACED IN THIS CONFERENCE CENTERS AROUND THREE PHENOMENA: THE SPLIT BETWEEN THE NON-ALIGNED AND THE NON-NON-ALIGNED (PROVOKED BY THE PAKISTANIS); AN UNDERCURRENT OF OIL-NON-OIL TENSIONS; AND A WEAKENING OF THE LATIN AMERICAN FLANK OF THE GROUP OF 77. THE LEADERSHIP WITHIN THE CONFERENCE CAME FROM PREDICATBLE COUNTRIES - MEXICO, EGYPT, INDIA, IN SOME SENSE - PERU, BUT, AS ONE DELEGATION HEAD PUT IT, LEADERSHIP IN THIRD WORLD FORUMS OFTEN DEPENDS ON THE INDIVIDUAL DELEGATES RATHER THAN THE STATUS OF THE COUNTRIES. AND IN THIS CONFERENCE MANY OF THE MORE DYNAMIC INDIVIDUALS USUALLY FOUND AT THESE GATHERINGS DID NOT SHOW.

4. THE BHUTTO PROPOSAL FOR A THIRD WORLD SUMMIT BECAME THE TOUCHSTONE FOR THE SPLIT BETWEEN THE NON-ALIGNED

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MOVEMENT (NAM) AND THE OTHERS (NON-NON-ALIGNED) OF THE G-77. THE ISSUE ITSELF AND THE PAK DELEGATION'S HANDLING OF IT (OBSTRUCTING PROGRESS IN OTHER AREAS) CAUSED THE MOST BITTER DEBATES (INCLUDING DURING THE FINAL ALL-NIGHT SESSION) AND WILL PROBABLY BE VIEWED BY A NUMBER OF COUNTRIES AS CAUSING THE "FAILURE" OF THE CONFERENCE. MAJOR OPPOSITION TO THE PROPOSAL WAS LED BY YUGOSLAVIA, CUBA, ALGERIA, IRAQ, AND INDIA. MAJOR SUPPORT CAME

FROM IRAN, EGYPT, SAUDI ARABIA, PERU, AND REPORTEDLY PEREZ-GUERRERO. MANY DELEGATIONS (INCLUDING EGYPT), WHILE PRAISING THE BHUTTO CONCEPT, FELT THE PROPOSAL WAS EITHER TOO VAGUE OR TOO PREMATURE. HOWEVER, THE OVER-RIDING FEAR OF THOSE OPPOSED WAS THAT AN ECONOMIC SUMMIT OUTSIDE OF THE NAM WOULD THREATEN NAM DOMINANCE OF THIRD WORLD POLITICS. ONE ASPECT OF THAT FEAR IS BASED ON THE PAKS' WILLINGNESS TO INCLUDE CHINA IN ITS PROPOSAL. THE TRADITIONAL NON-ALIGNED LEADERS SUCH AS ALGERIA WOULD ONLY LOSE BY THE PRESENCE OF A THIRD WORLD POWER SUCH AS CHINA. THE NAM IS ALSO SENSITIVE TO THE BHUTTO CALL TO ALL LEADERS OF "ASIA, AFRICA, AND LATIN AMERICA" WITH OBVIOUS EXCLUSION OF SUCH NAM GIANTS AS YUGOSLAVIA.

5. MEXICO, AS THE HOST OF THIS MEETING WITH ITS OWN POLITICAL GOALS WITHIN THE THIRD WORLD CONTEXT, WAS CAUGHT IN THIS CROSS FIRE AND SAW ITS GOALS UNMET IN THE END. MEXICO HAS HAD TO PLAY CAT AND MOUSE WITH THE NAM TO MANEUVER ITSELF INTO A LEADERSHIP POSITION WITHIN THE THIRD WORLD, BUT IT WOULD LIKE TO SEE THE NAM TAKE SECOND PLACE TO THE G-77. FOR THIS REASON, MEXICO PUSHED HARD FOR THE ESTABLISHMENT OF A PERMANENT G-77 SECRETARIAT OR OTHER MECHANISM IN WHICH MEXICO COULD THEN HOPE TO PLAY A LARGE ROLE. FEARING THAT ACCEPTANCE OF THE BHUTTO PROPOSAL WOULD PREVENT SUCCESS OF THE MEXICAN PROPOSAL (NEVER FORMALLY PRESENTED) MEXICO SIDED WITH THE NAM. IN TURN THE NAM SAW THE MEXICAN PROPOSAL AS A THREAT SIMILAR TO THE PAKS' PROPOSAL AND REFUSED TO SUPPORT IT. CUBA WAS PARTICULARLY ACTIVE IN FIGHTING THE MEXICAN PROPOSAL WHILE PERU WAS MEXICO'S STRONGEST SUPPORTER. THE FINAL WORDING WHICH EMERGED - THE CONFERENCE RECOMMENDS THAT THE NEXT G-77 MINISTERIAL MEETING TAKE UP THE MATTER OF REGULARITY OF MEETINGS- - WAS EVEN CONFIDENTIAL

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WEAKER THAN THE FINAL WORDING OF THE PAK PROPOSAL - "THE CONFERENCE TAKES NOTE OF THIS IMPORTANT PROPOSAL... WHICH SHOULD BE CONSIDERED BY GOVERNMENTS OF THE G-77..." IT THUS APPEARS THAT THE NAM WON THIS ROUND WHILE MEXICO LOST, ALTHOUGH THE FIGHT IS NOT OVER.

6. THE OIL/NON-OIL SPLIT AT THIS CONFERENCE WAS, ACCORDING TO PARTICIPANTS, A CONSTANT UNDERCURRENT BUT NEVER EMERGED INTO OPEN CONFLICT AS DID THE NAM/NON-NON-ALIGNED SPLIT. CONTINUING AFRICAN SUSPICION OF THE ARABS AND CONTINUING AWARENESS THAT ENERGY IS CRUCIAL FOR DEVELOPMENT CAUSED THIS SPLIT BUT THE RECOGNITION OF IT IN THE DOCUMENTS IS UNSPECIFIC. LIKEWISE RADICAL/MODERATE SPLITS DID NOT PLAY A LARGE PART IN THIS CONFERENCE. THE CUBAN DELEGATION WAS RATHER LOW LEVEL, NO RADICAL

BIG GUNS SHOWED UP, AND ENERGIES SEEMED SAPPED BY THE
PRIMARY NAM/NON-NON-ALIGNED SPLIT.

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7. AN IMPORTANT TREND IN THIS CONFERENCE WAS THE GROWING
DISCOMFORT OF THE LATINS WITH THE WAY THINGS ARE GOING
WITHIN THIRD WORLD FORUMS. COLOMBIA'S BOYCOTTING OF
THE MEETING HAS ALREADY BEEN NOTED (MEXICO 12326). WE WERE
TOLD THAT BRAZIL PURPOSELY ACCREDITED A LOW LEVEL
DELEGATION AND PLAYED A MINIMAL ROLE IN THE CONFERENCE.
OTHER LATIN DELEGATIONS (CONSERVATIVE GOVERNMENTS)
ARE INCREASINGLY UNCOMFORTABLE WITH THE "LEFTIST" RHETORIC
AND WITH THE DOMINANCE OF AFRICA AND ASIA (NUMERICALLY AND POLI-
TICALLY). AND SURPRISINGLY PANAMA HARDLY BOTHERED TO PARTICIPATE IN
THIS MEETING. WHILE MEXICO STROVE, SOMEWHAT SUCCESSFULLY,

TO PLAY A LARGER THAN REGIONAL ROLE, IT HAD TO WAFFLE
ON A KEY ISSUE LIKE DEBT RELIEF BECAUSE OF ITS NEED TO PRESERVE
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ITS OWN CREDIT STANDING IN GENERAL, THE LATINS HAVE BEEN
AT THIS GAME LONGER THAN THE REST OF THE LDC'S AND
THEY HAVE BECOME MORE CYNICAL. THUS THEY ARE UNWILLING
TO COMMIT THEMSELVES TO THIRD WORLD-WIDE CONCEPTS.

8. THE DEGREE OF POLITICAL RHETORIC, EXTRANEIOUS
POLITICAL ISSUES, CRITICISM OF THE FIRST AND SECOND
WORLDS WERE LESS PREVALENT THAN IN COLOMBO (PARAS E,F,
STATE 219540). KEY ISSUES OF CONCERN TO THE US LIKE
THE PANAMA CANAL, PUERTO RICO, THE INDIAN OCEAN PEACE
ZONE, WERE NOT EVEN MENTIONED. ACCORDING TO ONE REPORT
A GENERAL CONDEMNATION OF THE DC'S AND SPECIFIC CON-
DEMNATIONS OF THE LACK OF PROGRESS IN CIEC WERE PROPOSED
BUT DID NOT PASS IN THE COMMITTEES. AN ACRIMONIOUS
BUT PREDICTABLE DEBATE BETWEEN NORTH AND SOUTH KOREA
TOOK PLACE IN ONE PLENARY SESSION, BUT ONLY THE TWO
KOREAS TOOK ANY REAL INTEREST IN IT. NEITHER CAMBODIA
NOR VIETNAM, WHOSE DELEGATIONS WERE LED BY BICE-
MINISTERS, SPENT MUCH TIME ON ANTI-IMPERIALIST SPEECHES.
REFRESHINGLY ABSENT ALSO WAS ANY "DESTABILIZATION"
RHETORIC (JAMAICANS EXPRESSED TO EMBASSY THAT SUCH
RHETORIC HAS PEAKED IN THE CARIBBEAN). FINALLY, WHILE
THERE WAS CONSTANT REFERENCE TO THE NEW INTERNATIONAL
ECONOMIC ORDER, REFERENCE TO THE CHARTER OF ECONOMIC
RIGHTS AND DUTIES OF STATES WAS NOTABLY ABSENT (SURELY
ANOTHER DISAPPOINTMENT FOR MEXICO). MEXICO'S DESIRE
TO INSTITUTIONALIZE IMPLEMENTATION OF CERDS HAS NOT
SUCCEEDED AND SIMPLY DID NOT SPARK INTEREST AT THIS
CONFERENCE.

9. POLITICAL ISSUES DID INTRUDE, OF COURSE, IN THE
INTRODUCTION OF THE FINAL DOCUMENT (MEXICO 12182) WHERE,
THROUGH THE EFFORTS OF EGYPT, CONDEMNATIONS OF OCCUPIED
TERRITORIES AND SUPPORT OF THE RIGHTS OF THE PALESTINE
PEOPLE (AND AFRICAN LIBERATION MOVEMENTS) WERE INCLUDED.
ALTHOUGH NEITHER ISRAEL NOR ZIONISM WAS MENTIONED
SPECIFICALLY, ISRAEL IS CONCERNED SINCE PAST G-77
DOCUMENTS HAD NOT INCLUDED REFEERENCES TO THESE ISSUES.
OF LESS CONCERN TO US, BUT STILL IMPORTANT,
WAS THE POLITICAL ISSUE OF RIGHTS OF LANDLOCKED STATES. (LLS)
SOME LLS INSISTED ON REFERENCES TO THEIR RIGHTS OF
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ACCESS TO THE SEA THUS PROVOKING TIME-WASTING DEBATES
AND SOME BITTER OPPOSITION (AGAIN LED BY PAKISTAN).

10. WHAT REALLY HAPPENED IN MEXICO CITY? IT IS CLEAR
THA MEXICO DID NOT SUCCEED IN CONCRETE GOALS, I.E.,
INSTITUTIONALIZATION OF A THIRD WORLD FORUM. THE PRO-
POSALS THAT EMERGED (COMMITTEE REPORTS) ARE A REPETITION
OF PROPOSALS MADE AT MANILA AND COLOMBO WITH JUST A
LITTLE MORE DETERMINATION TO PRODUCE STUDIES "BY 1977"
FOR G-77 APPROVAL. ALSO, IT IS CLEAR THAT, WHILE THE
NORTH-SOUTH DIALOGUE CONTINUES IN VARIOUS FORUMS,
DIALOGUE IS GROWING AMONGST DEVELOPING COUNTRIES TO LOOK
FOR AT LEAST SOME SOLUTIONS FROM WITHIN THEMSELVES
("COLLECTIVE SELF-RELIANCE"). THIS MAY EXPLAIN THE LACK
OF POLITICAL RHETORIC DIRECTED AGAINST US - THE LDC'S
WERE LOOKING INWARD AT THIS MEETING. ONE RESULT WAS, OF
COURSE, THAT POLITICAL DIFFERENCES AMONGST THEMSELVES
BECAME MORE APPARENT AND DRAINED MORE ENERGY SINCE THE
"ENEMY" WAS NOT THERE TO UNITE AGAINST. THE MEXICANS
STRESSED THAT THE LDC'S WERE FINALLY GETTING DOWN TO
CONCRETE ACTIONS AND THUS MUST SURELY BE DISAPPOINTED
IN THE LACK OF CONCRETE RESULTS. HOWEVER, THIS MEETING
MAY BE SEEN AS PART OF A A PROCESS, WHICH IS BOUND TO TAKE
SOME TIME, OF CHANGING THE EMPHASIS IN LDC MEETINGS -
FROM NORTH-SOUTH CONFRONTATION TO CONCRETE, RATHER
COMPLICATED, LDC COOPERATION IN ECONOMIC AND POLITICAL
AREAS. IT IS SIGNIFICANT TO NOTE THAT SPLITS AND DIS-
SENSATION AT THIS G-77 MEETING WERE BASED MORE ON POLITICAL
ISSUES THAN ON ECONOMIC ISSUES. WHILE THERE ARE REAL
DIFFERENCES ON ISSUES SUCH AS DEBT RELIEF, TRADE
PREFERENCES FOR THE POORER LDC'S, ETC., ESPECIALLY BE-
TWEEN THE LATINS AND THE REST OF THE G-77, POLITICAL
DIFFERENCES PRECLUDED SERIOUS TREATMENT OF THESE ISSUES.
THIS DOES NOT MEAN THAT AGREEMENT ON THESE ECONOMIC ISSUES
WILL NOT BE POSSIBLE IN THE FUTURE.

11. FINALLY, IT SHOULD BE NOTED THAT MEXICO SUCCEEDED
IN THE PHYSICAL HANDLING OF THIS CONFERENCE IF NOT THE
POLITICAL. MANY PRAISED MEXICO'S ABAILITY TO MANAGE
LARGE CONFERENCES AND, ALTHOUGH THERE WAS DISORGANIZATION
AND CONFUSTION AT TIMES, IT WAS MORE THE FAULT OF THE
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CONFERENCE DELEGATIONS THAN OF THE GOM. OF PARTICULAR
NOTE WAS MEXICO'S TIGHT SECURITY - NO ONE WHO WAS NOT
G-77 WAS ALLOWED TO WANDER THE CORRIDORS, DELEGATES WERE
SCATTERED IN VARIOUS HOTELS, NO ATTEMPT WAS MADE TO
KEEP DC'S INFORMED OF THE PROGRESS OF THE CONFERENCE.
MEXICO WOULD LIKE TO HOST THE NEXT G-77 MEETING,

ALTHOUGH VIENNA IS ALSO BEING DISCUSSED AS A SUITABLE
"NEUTRAL" SPOT.

12. FURTHER REPORTS WILL FOLLOW WITH THE RELEASE OF
THE FINAL DOCUMENTS OF THE CONFERENCE.
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